

GRANADA SANITARY DISTRICT

OF SAN MATEO COUNTY

455 Avenue Alhambra, #6 ~ P. O. Box 335 ~ El Granada, California 94018

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MINUTES BOARD OF DIRECTORS MEETING May 16, 2002

CALL TO ORDER: The meeting was called to order at 7:39 p.m. by Board President Bill Katke at the El Granada Elementary School Multi-Purpose Room, 400 Santiago Avenue, El Granada.

ROLL CALL: Attending Directors were: President Bill Katke, Vice President Leonard Woren, Secretary Fran Pollard, Board Member Shawn McGraw. Treasurer Laura Stein was absent due to illness.

Attending staff were: Legal Counsel Jonathan Wittwer, Engineer Howard Hoffman, Interim General Manager Chuck Duffy, Administrator Gina Holmes, Assistant Administrator Delia Comito and District Clerk Leisa Bretz.

PLEDGE OF ALLEGIANCE: President Katke led the recitation of the Pledge of Allegiance.

GENERAL PUBLIC PARTICIPATION: None.

CONSENT AGENDA: The following Consent Agenda Items were held for discussion:

2. Approval of meeting minutes of May 2, 2002: by Director Woren
8. Approval of equipment and estimated purchase price for updated District sound system: by Director Katke
9. Approval of draft letter to County Environmental Agency Planning & Building Division regarding LCP update analysis of Sewer Authority Mid-Coastside capacity: by Director Pollard
10. Approve Administrative Staff request for temporary overtime hours for District Clerk: by Director McGraw

President Katke indicated that the Consent Agenda items held for discussion would be moved to the end of the Action Agenda.

**Director Woren moved to approved the remaining Consent Agenda items:
(Woren/Pollard, 4-0)**

1. Approval of special meeting minutes of April 29, 2002
3. Approval of May warrants totaling \$ 70,111.20 (Ck #3361 to #3377)
4. Approval of payment to G.A. Laster totaling \$6,881.00 from Bond Administration Fund
5. Approval of Progress Payment Request No. 1 to K.J. Woods Construction, Inc.

6. Approve expenditure of up to \$20,000 from 2001-2002 Fiscal Year Budget item - Professional Services-Other, cost code #5299, payments to Dudek & Assoc., Inc., for Interim General Manager services
7. Approval of agreement with Dudek and Associates: Interim General Manager and Consulting Services with Chuck Duffy

ACTION AGENDA

11. Discuss/consider vote to approve Ordinance adopting required Urban service zones and Rural service zones: The Board had under consideration adoption of a draft Ordinance implementing San Mateo County Local Coastal Program Land Use Plan Policy 2.14d after having heard public testimony and continuing the matter at the regular board meeting held on 4-04-02. President Katke announced that the period of continuance had exceeded even the 30 day period requested by public parties at the 04-04-02 meeting. In the interim, a noticed Study Session on the proposed Ordinance had been held on April 29, 2002. The Board's May 16, 2002 meeting on the proposed Ordinance had also been noticed in the Half Moon Bay Review one week earlier on 5-08-02. President Katke then turned the presentation of the proposed Ordinance over to District Legal Counsel, Jonathan Wittwer.

Due to recent correspondence between Wittwer, San Mateo County Harbor District General Counsel and County Counsel, at Wittwer's request, the Assistant Administrator read for the record, a list of these correspondence items, which had also been copied and distributed as additions to the agenda packets. The list follows:

- Letter dated May 15, 2002 to Marc L. Zafferano, Esq. San Mateo County Harbor District General Counsel from Wittwer;
- Letter dated May 16, 2002 to Wittwer from Aaronson, Dickerson, et. al, office of Marc Zafferano;
- Letter dated May 15, 2002 to Michael P. Murphy, San Mateo County Chief Deputy County Counsel from Wittwer, with draft Ordinances attached as Exhibits "O" and "P.";
- Letter dated May 16, 2002 to Wittwer from Michael P. Murphy, San Mateo County Chief Deputy County Counsel.

Wittwer stated that there were two primary changes to the draft Ordinance presented on April 4, 2002, both in the second paragraph of Section 500(01), both due to communication with Mr. Murphy:

1. The words "Urban Zone" were added to the third sentence so that the sentence reads as follows: "In the unincorporated area of the District, the District Service Area Urban Zone Boundaries shall correspond to the boundaries of urban areas (excluding area shown as rural in the urban area)."
2. The following sentence was added as the fifth sentence: "Any District permit issued or District service provided in a Rural Zone shall be commensurate

with the uses and densities designated in the San Mateo County Local Coastal Land Use Plan for the property involved.”

In addition to these changes shown on Exhibit O, other possible changes are shown on Exhibit P, in italics.

Exhibit O establishes the service area and zones by Map (based on SMC 1997 amendment to LCP for implementation of Coastal Protection Initiative.) Text preceding the Map clarifies that a portion of the Harbor District Parcel known as 047-261-030 is in a commercial zone and is not part of the District Rural Zone. The draft Ordinance contains a provision to address Mirada Surf, expressly based on the Stipulated Judgment, which remains in effect as to future owners.

Wittwer gave the history of the basis for dividing the District into zones.

Under the proposed Ordinance, the level of service for the land designated rural in an urban area will be rural. This is consistent with the fact that these rural areas are designated rural by the 1997 LCP Amendment.

The level of service to be provided to property designated rural on the urban side of the urban/rural boundary by the District will be determined on a case by case basis.” For example, for COSC zoned parcels, level of service will be determined on a case-by-case basis. The proposed Ordinance does not determine level of service; it only divides the District into urban and rural zones, as required by the LCP.

The District needs this flexibility because inadequate sewage transmission capacity is resulting in Wet Weather Sewage Overflow problems for SAM. These types of overflows have been identified as a nationwide problem. The EPA requires Districts such as GSD to address this problem. The District Engineer has reported communication between RWQCB & SAM on the need to fix this problem. Carollo Engineering has prepared a plan to address the issue at an overall potential cost of \$9 million. The Walker Tank, Portola Pump Station, and other infrastructure improvements are in this plan. The District Board also needs to be able to determine the appropriate level of service in order to be able to serve all potential development on conforming lots.

There was further discussion by Board members. Administrator Holmes stated that notifications of the meeting and the draft Ordinance had been provided to all affected and interested parties.

The following members of the public addressed the Board regarding this Item:

Michael Murphy, San Mateo County Chief Deputy County Counsel;
Peter Grenell, General Manager, San Mateo County Harbor District; spoke on behalf of Harbor District Board Member Sally Campbell, she stated that she will consider litigation if the Ordinance is passed;
Greg Antone, representing KN Properties;

Barbara Mauz, representing herself;
Kerry Burke, representing herself, (written correspondence also submitted);
Debra Newton, representing herself;
Diane Schechinger, representing herself;
Marty Kingshill, representing himself;

Written correspondence was submitted on behalf of the following members of the public regarding this Item:

Warren W. Jones, El Granada;
Laura Silvestri, El Granada

Following public input District Counsel Wittwer addressed the following issues, among others:

1. Limitation on Expansion of Level of Service to Existing Uses: The last sentence of Section 1 of Exhibit "O" makes allowing increased expansion of the level of service to existing uses on rural designated property a lower priority. There is flexibility to address such expansion. If the wet weather overflow problem is solved in the future then this Ordinance can be revised or repealed. In addition, under the existing District Code, hardship waivers can be approved.
2. Map Ambiguity re "Post Office" Lot: The map ambiguity re the Post Office lot was merely clarified in the Ordinance based on the map's intent to identify rural designated property, not commercial property.
3. LCP Update: There is no reason for the District to postpone adoption of the proposed Ordinance until the LCP update is finalized because rural designated lands are being even further protected under the draft LCP Update.
4. Basis of Ordinance is Wastewater Concerns: The Ordinance is drafted to address wastewater concerns and the District Board should make any decision on whether to adopt it on that basis, and not base any such decision on land use issues (such as greenbelt preservation and other land use issues raised by some speakers.)
5. Ordinance Does Not Itself Require Rural Designated Land to be Connected to a Septic Tank rather than the Public Sewer; Determination will be Made on Case-by-Case Basis: The adoption of the proposed Ordinance would not preclude connection to the public sewer and require installation of a septic tank. This determination would be made on a case by case basis as each sewer permit application is made.
6. CEQA Process: The mere adoption of this draft Ordinance does not constitute a project. The ordinance does not change the zoning of the land or allow services to these lands that would then cause a physical change in

the environment. These lands are restricted by the current LCPLUP and the mere adoption of this ordinance confirms that the level of service to these lands will remain commensurate with those existing restrictions.

7. Rural Designated Lands Are Discussed Under LCP Section 1.5(b): LCP Section 1.5(b) states that the use and amount of development allowed on a parcel, including parcels designated "General Open Space" "Agriculture" or "Public Recreation-Community Park" on the General Plan Land Use Map within the urban boundary in the Coastal Zone shall be limited to the uses and to the amount, density and size of development permitted by the Local Coastal Program, including the density credit requirements of Policy 1.8c and Table 1.3. President Katke invited comments from the Board.

Director Woren moved to adopt the proposed Ordinance in the form of Exhibit "O" Establishing District Service Area Boundaries and Urban service zones and Rural service zones. (Woren/Pollard, 4-0) Ordinance No. 149

12. Discuss merits of a District owned building for office space and a meeting room:
 - Brief review of inadequacies of present office space leased/rented by the District;
 - Review advantages of District owned space vs. leased space;
 - Financial considerations including sufficiency of District reserves and whether there would be any impact on capital improvement program:

District Administrator Holmes reviewed the memo provided in the Board packet describing the inadequacies of the present District office space. The Board also reviewed and discussed the advantages of a District owned facility. Real property negotiator Lee Engdahl was present and he answered questions from the Board. Director Woren stated that the District had sufficient reserves to purchase a facility and that the purchase would not affect any Capital Improvement Project funding because the District funds the CIP at an average annual rate of \$500,000 and spends an average of \$500,000 annually on the CIP.. The following member of the public addressed the Board regarding this item:

Barabara Mauz, resident of El Granada: stated that she was in favor of a District owned facility as she felt it would benefit the rate payers, and the community over all.

There was no action taken under this agenda item.

At 10:05 p.m. Director Pollard moved to extend the meeting until 10:45 p.m. (Pollard/Woren, 4-0)

There was some discussion with regards to reordering the Agenda. It was decided that Item #13 would be addressed after Agenda item #19, the Closed Session.

The Board returned to the Consent Agenda items held earlier in the meeting for discussion:

CONSENT AGENDA:

2. Approval of meeting minutes of May 2, 2002:

Director Woren moved to table this item until the next Regular Board meeting. (Woren/Pollard, 4-0)

8. Approval of equipment and estimated purchase price for updated District sound system: President Katke gave a brief description of the equipment items and their uses. There was further discussion. President Katke called for a motion.

Director Woren moved to approve expenditure up to \$2,000.00 for updated District sound system. (Woren/Pollard, 4-0)

9. Approval of draft letter to County Environmental Agency Planning & Building Division regarding LCP update analysis of Sewer Authority Mid-Coastside capacity: Director Pollard held this item to request a language revision on the last paragraph. Specifically, Director Pollard requested revision on Page 2, under the heading "sewer capacity" to read as follows: "with a mid-coast demand of 1.14..." add "...and multi-million dollar extra expense". District Counsel Wittwer also requested a language change. On paragraph one, under Alternatives Report "with a mid-coast demand of 1.14 million gallons per day, and an approved treatment..." Insert "dry weather needs" between the words "approved" and "treatment". There was additional Board discussion.

Director McGraw moved to have the draft letter revised and sent to George Bergman, Environmental Services Agency Planning and Building Division of San Mateo County as soon as possible pursuant to the Districts' Engineer determination that the flow and capacity numbers are correct and that District Counsel Wittwers' and Director Pollards' language is added to the letter. (McGraw/Pollard, 4-0)

10. Approve Administrative Staff request for temporary overtime hours for District Clerk: Director McGraw held this item as she had some concerns about authorizing temporary overtime for the District Clerk. There was some discussion.

Director Woren moved to table consideration of Administrative Staff request for temporary overtime hours for District Clerk. (Woren/Pollard, 4-0) The Board then agreed that this is now a decision for the Manager, not the Board.

14. DIRECTORS' COMMENTS AND COMMITTEE REPORTS: Sewer Authority Mid-Coastside: Director McGraw briefly reported on the SAM luncheon for the Safety Award and status of the General Manager search.
15. INFORMATION CALENDAR: Pending Action Summary: The current summary was provided in the Board packet and there was no discussion.
16. Engineer's Report: Report on County of San Mateo's Environmental Health Division water testing on Capistrano Road: District Engineer Howard Hoffman

provided a brief report on the status of the contamination problem in the beach at Capistrano Road in Princeton. There was a brief Board discussion. Hoffman indicated that additional data would be forthcoming.

Report of Recent Engineering Activities for April 2002: Hoffman also reviewed a report written by Field Engineer Leo Kerner, who was overseeing the current Capital Improvement Project. He stated that the District is working to address the concerns of the public with regards to the project. He expected that it would be finished in approximately one month.

17. Attorney's Report: District Counsel Wittwer informed the Board that a \$193.00 filing fee was being charged for Assessment District delinquency foreclosure actions where the property owner signed a stipulation to transfer the property to the District. He recommended that the Board allow his office to pay the fee when necessary, prior Board authorization was inclusive of this authority. the Board agreed.

At 10:40 p.m. President Katke moved to adjourn the meeting to closed session. (Pollard/Woren, 4-0)

ADJOURNED TO CLOSED SESSION AT 10:40 PM:

19. Conference with Real Property Negotiator (Government Code Section 54956.8); Granada Sanitary District Negotiator: Lee Engdahl; Property: 504 Plaza Alhambra Avenue, El Granada, California; Negotiating Parties: David Cresson and Granada Sanitary District; Under Negotiation: Instruction to Negotiator regarding price and terms of payment for offer to purchase or lease.

RECONVENE TO OPEN SESSION: The meeting reconvened to Open Session at 11:18 p.m. President Katke announced that there was no reportable Board action taken during the closed session.

Director Pollard MOVED TO ADJOURN (Pollard/Woren, 4-0) The meeting adjourned at 11:19 p.m.

Submitted on: May 29, 2002

Approved on: June 6, 2002

SUBMITTED & TRANSCRIBED BY:
Leisa Bretz, District Clerk, as dictated
by Delia Comito, Asst. Administrator

APPROVED BY:
Fran Pollard, Board Secretary